

House File 2401 - Introduced

HOUSE FILE 2401
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO HF 2007)

A BILL FOR

1 An Act prohibiting persons from opening or using a credit card
2 in the name of a minor without the consent of the minor's
3 parent, guardian, or legal custodian, and providing criminal
4 penalties.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 715A.6B Credit card fraud — minor
2 involved.

1. For purposes of this section, "*minor*" means any person under the age of eighteen.

5 2. A person commits a public offense if the person applies
6 for a credit card in the name of a minor, other than the person,
7 without the consent of the minor's parent, guardian, or legal
8 custodian. A person adding a minor as an authorized user of
9 the person's credit card does not commit an offense under this
10 subsection. An offense under this subsection is a class "D"
11 felony.

12 3. *a.* A person commits a public offense if the person uses
13 a credit card obtained in violation of subsection 2 to secure
14 or seek to secure property or services. An offense under this
15 subsection shall be as follows:

16 (1) A class "C" felony if the value of the property or
17 services secured or sought to be secured by means of the credit
18 card is greater than ten thousand dollars.

19 (2) A class "D" felony if the value of the property or
20 services secured or sought to be secured by means of the credit
21 card is ten thousand dollars or less.

b. For purposes of this subsection, the value of property or services shall be determined as provided in section 715A.6, subsection 3.

EXPLANATION

26 The inclusion of this explanation does not constitute agreement with
27 the explanation's substance by the members of the general assembly.

28 Under current Code section 715A.6, a person commits a public
29 offense by using a credit card to obtain property or services
30 with knowledge that the credit card is stolen or forged, the
31 credit card has been revoked or canceled, or the use of the
32 credit card is otherwise unauthorized. A person commits a
33 class "C" felony if the value of the property or services
34 secured or sought to be secured is greater than \$10,000, a
35 class "D" felony if the value is more than \$1,000 but not more

1 than \$10,000, and an aggravated misdemeanor if the value is
2 \$1,000 or less.

3 This bill creates new Code section 715A.6B to make it a
4 public offense to apply for a credit card in the name of a minor
5 without the consent of the minor's parent, guardian, or legal
6 custodian. The bill defines a "minor" as anyone under the age
7 of 18. A person who violates this provision is guilty of a
8 class "D" felony.

9 The bill also makes it a public offense to use a credit card
10 obtained in violation of the bill to secure or seek to secure
11 property or services. A person who violates this provision
12 is guilty of a class "C" felony if the value of the property
13 or services secured or sought to be secured by means of the
14 credit card is more than \$10,000. A person is guilty of a class
15 "D" felony if the value of the property or services secured or
16 sought to be secured by means of the credit card is \$10,000 or
17 less.

18 A class "D" felony is punishable by confinement for no more
19 than five years and a fine of at least \$750 but not more than
20 \$7,500. A class "C" felony is punishable by confinement for no
21 more than 10 years and a fine of at least \$1,000 but not more
22 than \$10,000.